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AZ CORP COMMISSION
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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANT AND PROPERTY,
AND FOR ADJUSTMENTS TO ITS RATES
AND CHARGES FOR UTILITY SERVICE
FURNISHED BY ITS WESTERN GROUP
AND FOR CERTAIN RELATED
APPROVALS.

DOCKET NO. W-01445A-10-0517

**NOTICE OF PARTIES'
AGREEMENTS REGARDING
SETTLEMENT HEARING
PROCEDURAL MATTERS**

Applicant Arizona Water Company, on behalf and with the consent of the Arizona Corporation Commission Utilities Division ("Staff"), the Residential Utility Consumer Office ("RUCO"), Abbott Laboratories ("Abbott") and the Water Utility Association of Arizona ("WUAA") (collectively referred to as the "Parties"), at the direction of ALJ Farmer (who was sitting in place of ALJ Harpring at the February 21, 2012 public hearing of this matter), gives notice that the Parties have met and conferred regarding certain procedural issues in the upcoming settlement hearings. The Parties hereby provide the Commission and ALJ Harpring of the results of their discussions and those agreements related to the March 1, 2012 settlement hearing set in this matter:

1. The Parties plan to file witness summaries of their settlement testimony on or before Tuesday, February 28, 2012.

3. The Parties agree and stipulate that all prefiled testimony and exhibits in the case in chief may be admitted into evidence without objection at the settlement hearing.

4. The Parties agree that Arizona Water Company cost of capital witness Dr. Thomas Zepp, who resides in Oregon, may appear telephonically at the settlement hearing, if his testimony is necessary (Dr. Zepp is not being called as a witness). The Parties also agree to cooperate regarding calling witnesses out of order as necessary to accommodate their schedules and inform the Commission that Staff's witness, Steven Olea, and one of RUCO's witnesses, Jodi Jerich, will not be able to testify until the afternoon of March 1.

Should the Commission desire to amend or countermand any of these agreed procedural points among the Parties, they will await notice of same and are prepared to abide by ALJ Harpring's orders if they differ from the above.

RESPECTFULLY SUBMITTED this 23rd day of February, 2012.

BRYAN CAVE LLP

By

H. C. Merrill

Stanley B. Lutz, #021195

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Attorneys for Arizona Water Company

ORIGINAL and 13 copies of the foregoing
filed this 23rd day of February, 2012, with:

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COPIES of the foregoing hand-delivered
this 23rd day of February, 2012, to:

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